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# *Instructions For Reporting State-Assessed Property*

*Telecommunication Resellers*  
(Short Form)

*Lien Date 2006*

*December 2005*

*Publication 67TR • LDA*

## ***Foreword***

The State Board of Equalization is required, under the provisions of section 19 of Article XIII of the Constitution, to assess annually all property, other than franchises, owned or used by telephone companies. These instructions are for the direction of those persons responsible for reporting such property. If you have any questions regarding the property statement forms or reporting instructions, contact the Valuation Division, telecommunication section at 916-327-5029.

# Contents

<i>I. Property Statement</i>	1
A. General	1
B. Declaration of Costs and Other Related Property Information (Form BOE-517-TR)	1
1. Statement of Authorization	2
2. Financial Schedules B, B-0, B-1, C and D	2
C. Tangible Property List	3
D. Statement of Land Changes	3
1. General	3
2. Leased Properties	4
3. Possessory Interests	4
4. Partial Interests	4
5. Nonoperating Land Parcels	5
6. Land Identification Maps	5
E. Schedule of Intangible Information	6
F. Schedule of Leased Equipment	6
G. Fiber Optic Miles of Right of Way	6
H. Other Information	8
1. Stockholder's Reports and Reports to Regulatory Agencies	8
2. Foreign Improvement Lists	8
3. Construction Work in Progress	8
4. Book Cost	9
5. Exempt Software	9
<i>II. List of Available Publications (Special Instructions)</i>	10
<i>III. Appendices</i>	11
A. Tax Rate Areas	
B. List of California Counties	11
C. Sample of Completed Property Statement Related Form	12

# ***I. Property Statement***

## **A. General**

A sworn property statement shall be filed annually with the State Board of Equalization by each person, corporation, or other entity owning, claiming, possessing, using, controlling, or managing any state assessed property.

This statement shall consist of:

1. Declaration of Costs and Other Related Property Information
2. Such other information as is hereinafter directed or as may be from time to time requested by the Board.

Except as noted below, all parts of the property statement shall be filed not later than *March 1st* of each year. Failure to respond to all parts of the property statement may subject the assessee to the penalties of section 830 of the Revenue and Taxation Code.

To meet unusual situations, exceptions to the requirements of these instructions may be granted in writing by the Chief of the Valuation Division.

The Board, for good cause, may grant extensions as follows:

1. Up to 45 days for parts of the property statement relating to development of unitary value indicators. This includes all financial schedules, the summary control, and any supplemental data requested by the Board. It also includes studies and other voluntary information that the assessee believes affects the value of their property.
2. Up to 30 days for parts of the property statement describing specific operating or nonunitary property. This includes Tangible Property Lists, Statements of Land Change and Land Identification Maps, and Schedules of Leased Equipment.
3. An additional 15 day extension may be granted for either category above upon the showing of extraordinary circumstances which prevent filing the statement within the first extension.

Supplemental reporting instructions may be issued to individual companies when additional data is needed or to clarify these instructions concerning specific issues. These supplemental instructions will be mailed at least 20 days prior to the extended reporting deadline.

Portions of the State Constitution, Revenue and Taxation Code, and other codes have pertinent information relating to the instructions contained in this publication. All of the codes and portions of the State Constitution pertaining to property tax laws are contained in a publication of the State Board of Equalization titled "Property Taxes Law Guide." This publication may be purchased from the State Board of Equalization, Publications Order Desk, 3920 West Capitol Avenue, West Sacramento, CA 95691. This publication and all other property statement forms and publications may be obtained from the Internet site of the Board of Equalization at **[www.boe.ca.gov](http://www.boe.ca.gov)**.

*All information provided in the Property Statement declaration is subject to audit.*

## **B. Declaration of Costs and Other Related Property Information (form BOE-517-TR)**

This property statement must be signed by the owner or partner of the business, a duly appointed fiduciary, or an agent. When signed by an agent or employee other than a member of the bar, a certified public accountant, a public accountant, or a duly appointed fiduciary, the assessee's written authorization of the agent or employee to sign the statement on behalf of the assessee must be on file with the Valuation Division. The entry on the line "title" should clearly indicate whether or not written authorization is required to be filed with the Board.

In the case of a corporation the property statement must be signed by an employee or agent whom the board of directors has designated in writing (other than those excepted above), by name or by title, to sign such

statements on behalf of the corporation, or by an officer of the corporation. The board of directors may appoint a person or persons to designate such employee or agent. The name of the corporation should be entered on the line provided.

*Sign the property statement in accordance with the requirements listed above. Title 18, section 172 of the California Code of Regulations provides that statements not properly signed have not been properly submitted.*

## **1. Statement of Authorization.**

In the cases where a company is assigning an agent or authorized representative other than the owner or a corporate officer to act as agent for Property Taxes matters with the Board of Equalization, a Statement of Authorization (form BOE-892) must be filed with the Valuation Division. The filing must be submitted annually in order for the agent or representative's status to remain current.

## **2. Financial Schedules B, B-0, B-1, C and D.**

These schedules shall be used to show the original cost and year of acquisition of property and such other information as required by the Valuation Division. Refer to Appendix B for an example of a completed property statement.

### **a. Schedule B—Plant and Equipment in California**

All assets shall be reported on Schedule B at original or book cost. Original or book cost should include all the capitalized costs of placing an asset into service as defined in section G-4.

Private right of way costs should be reported on Schedule B with the account number used by the company to identify the cost. If Additions and/or Retirements are reported for Land or Rights of Way, Easements, etc., a Statement of Land Changes (form BOE-551) must be filed with the Valuation Division.

### **b. Schedule B-0—Distribution of Cost**

Use Schedule B-0 to report plant and equipment cost by account, by county. Plant and equipment cost reported on Schedule B shall be the basis for completing Schedule B-0. If all plant and equipment reported on Schedule B is located in **only one** (1) California county, indicate the county in Section A and skip Section B. See **Appendix A** for a listing of county names and county numbers.

### **c. Schedule B-1—Cost Detail of Depreciable Property**

Depreciable plant and equipment in service shall be grouped by account category and reported on Schedule B-1 at original or book cost by acquisition year. Category totals should agree to the corresponding amounts reported on Summary Control and Schedule B. Attach a reconciliation schedule if the amounts are different.

### **d. Schedule C—Balance Sheet and Income Statement**

Provide a copy of your December 31, 2005 or most recent Balance Sheet and Income Statement. Failure to provide a balance sheet and income statement could subject a state assessee to the penalties of Revenue and Taxation Code section 830.

### **e. Schedule D—Additional Forms Required**

Answer questions 1 through 6 on Schedule D to determine which form(s) you are required to file with your property statement. If you answered yes to any of the questions, you are required to file the form(s) indicated on the schedule.

Property statement forms may be obtained by contacting the Valuation Division of the Board of Equalization at 916-322-2323 or on the Internet. Internet site directions are printed on Schedule D.

## **C. Tangible Property List (TPL)**

### **1. Unitary Property.**

A Tangible Property List is not required for reporting unitary property for Telecommunications Reseller companies. In lieu of a TPL, Telecommunications Reseller companies will submit a Schedule B-0 that is part of the BOE-517-WT — Property Statement. The Schedule B-0 is described in section B. See Appendix C for sample data.

### **2. Nonunitary Property.**

All property carried on the books of the assessee in nonoperating accounts or classified by the Valuation Division as nonoperating or nonunitary property the prior year, should be reported on the Tangible Property List (TPL), form BOE-533. The TPL form will not be included in your Property Statement packet, however a copy of the TPL form may be obtained from the Valuation Division by telephoning us at 916-322-2323 or from the Board of Equalization's Internet site [www.boe.ca.gov](http://www.boe.ca.gov). Contact the Valuation Division by phone to receive step by step instructions for reporting nonoperating property on the TPL. Nonoperating property must also be reported in the specific Tax Rate Area where such nonoperating property is located. See Appendix A for an explanation of Tax Rate Areas.

## **D. Statement of Land Changes**

All land owned or used by state assessees (including gas transmission companies) other than land associated with intercounty pipelines must be reported to the Board. The term "used by" includes properties leased by the state assessee from private parties (Leased) or government agencies (Possessory Interests). The Board may delegate assessment responsibility to local assessors when state assessees use only a small part of a leased property and the taxes are paid by a local assessee.

Assesseees that own, lease, or use a fiber optic right of way must report the number of miles of right of way on the Schedule of Fiber Optic Right of Way Miles, form BOE-534-FO.

### **1. General.**

The Statement of Land Changes (SLC), form BOE-551, shall list all lands which have been acquired or disposed of (including partial sales or leases) since the date of the previous property statement. The SLC must be filed with the property statement, or within 60 days of acquisition or disposal, whichever is earlier. State assesseees filing a property statement for the first time must file an SLC for each land parcel in which they have an interest. The SLC must be completed in its entirety. If a section of the SLC does not apply to the parcel being reported, it should be marked "Not Applicable" or "N/A."

The SLC requests the following information:

- a. Tax Rate Area
- b. Map and parcel numbers (see Land Identification Maps).
- c. Area (acres or square feet) of parcel, or mileage if a right of way parcel.
- d. Both old and new parcel numbers in the case of reparablelling.
- e. Name and address of grantor or grantee (lessor or lessee if leased land).
- f. Type of instrument and date of agreement.
- g. Recording reference and date.
- h. Description of improvements included.
- i. The consideration (if any).
  1. Purchase price
  2. Sales price

- 3. Monthly/Annual rental at start of lease
- 4. Current rental
- j. County assessor's parcel number.
- k. Lease information.

## **2. Leased Properties.**

In the case of a new lease, a description of the terms of the lease shall be given, including the amount of the current rental, the term of lease, and renewal options, if any. If the terms of the lease are complex, or cannot be fully described in the space provided, attach a copy of the lease. Leased properties include property leased to or from another person. The improvements being leased shall be itemized. A copy of the building plan should be included for newly leased structures.

Whenever there is a renewal of the lease on real property which is reported to the Board, the SLC shall be filed with the Valuation Division. A brief description of the terms of the renewal shall be given, including the amount of the rental and the new expiration date. The SLC should be clearly marked "Lease Renewal."

Legal parcels which are entirely leased by a state assessee must be reported to the Board on a Statement of Land Changes (form BOE-551). Three copies of land identification maps must be included.

If one state assessee (lessee) leases property from another state assessee, the lessee shall report the leased property on an SLC.

A ground lease for a portion of a legal land parcel (partial lease) for facilities such as cellular telephone sites, microwave sites (passive or active), repeater sites, substations, etc., shall be reported.

A ground lease for a portion of a legal parcel (partial lease) for a regeneration site or for a communications tower in which the equipment is located within a portion of a building should not be reported.

A lease of a portion of office or commercial space within an existing building, roof-top space for communications equipment, or vault space within an existing privately owned communications facility (partial leases) should not be reported. State assessee owned or used equipment at these locations shall be reported on Schedule B and Schedule B-0.

## **3. Possessory Interests.**

Taxable possessory interest means a possessory interest in nontaxable publicly owned real property, as such property is defined in section 104 of the California Revenue and Taxation Code, and in taxable publicly owned real property subject to the provisions of sections 3(a), (b) and 11, Article XIII of the Constitution. For further definitions of possessory interests see Property Tax Rule 20, Title 18, California Code of Regulations. It should be noted that the partial lease provisions of item 2 above do not apply to possessory interests.

In listing a possessory interest in a parcel owned by a tax-exempt government agency, the name of the agency shall be shown, and the expiration date of the agreement shall be stated. If the possessory interest is derived from a permit or license, the area (or length) and type of use must be stated.

## **4. Partial Interests.**

The following variations are applicable to particular kinds of partial interests in land:

- a. In listing an undivided interest in a parcel, the total area of the parcel shall be shown, together with the nature and extent of the assessee's interest, and the names of the other owners.
- b. In listing a special interest in a parcel, such as oil rights only, or a full interest except for oil rights, the nature and extent of the interest shall be shown.
- c. In listing water rights, descriptions shall include the name of the granting agency, the tax situs, the quantity of water use allowed by the water right, the use to which the water will be put, and any other information deemed necessary. The Land Identification Map and parcel number shall be shown if the situs is at a parcel.

- d. In reporting easements or sub-easements granted in Rights of Way (continuous land corridors), the following information shall be provided in addition to the information requested in Item C-1: total mileage of the easement, the mile posts that mark the beginning and end of the easement, the amount of the consideration paid for the easement (either lump sum or annual payments), and the grantor of the easement. Attach a copy of the easement agreement with the Statement of Land Change form. Provide maps detailing the route of the easement as explained in Item C-6. All easements shall be reported, including those provided for a nominal sum in Rights of Way owned by governmental entities.
- e. In listing miscellaneous rights in land not covered above, the rights shall be fully described.

## **5. Nonoperating Land Parcels.**

Land parcels that are carried on the books of the assessee in nonoperating accounts, or that were classified by the Valuation Division as wholly or partially nonoperating the prior year must be reported by Tax Rate Area. If the Tax Rate Area code differs from that of prior year, the change must be reported to the Board. If a changed Tax Rate Area boundary splits an existing nonoperating parcel, the parcel must be split accordingly, and a new parcel map filed. The standard SLC shall be used for this type of transaction. If the changed Tax Rate Area boundary encompasses an entire parcel, only the changed Tax Rate Area code number need be reported. A special SLC (form BOE-551-TRA) may be used to report this change, and no new map need be filed.

## **6. Land Identification Maps.**

Each statement of land changes, except those related solely to a rental increase or a rental extension, shall be accompanied by Land Identification Maps (Maps). Land Identification Maps shall be filed in triplicate, with the name of the company and the name of the county on each map. The Map shall be assigned map and parcel numbers as outlined below. Each Map shall show such information as will clearly describe and locate the property with respect to:

- Officially established lines such as section lines, parcel lines, parcel centerlines and intersection lines.
- Reference points shown on maps of record such as township and range.
- Assessor parcel number as it pertains to the parcel being reported.

This information shall include, if necessary, legal descriptions or references to maps filed with the county recorder under the provisions of Division 3, commencing with section 66499.50 of Title 7 of the Government Code. Maps showing information other than land location matters may be used, but such other information will not be considered a part of the description for purposes of assessment.

When Maps are prepared, they shall be 20" x 30" in overall dimensions, with a 1-3/4" margin on the left 20" side. The scale of the map and the direction of North shall be shown on all Maps. Previously prepared maps, such as Interstate Commerce Commission valuation maps, will be accepted up to a maximum overall size of 24" x 56". County assessor's parcel maps will be acceptable, provided they meet the previously stated tests for clarity of description, and if they have the parcel being described clearly delineated.

Land Identification Maps shall be assigned a three part number; for example, 872-34-6B or 1284-34-7. In the first example, 872 is the SBE number assigned to the assessee; 34 is the code number of the county, being the county's position in an alphabetical tabulation of counties; 6 means that the Map is number 6 in a series of Maps for that county; 6B indicates that changes occurred as shown on Map 6 after it was originally filed, requiring re-parcelling as shown in Map 6A, and further re-parcelling as shown on 6B. Parcel numbers shall be assigned consecutively beginning with Parcel 1 for each map. Parcel numbers shall restart with number 1 on each subsequent revision to the base map.

Each new map showing the re-parcelling of parcels on a previously filed map shall be given the same number as the original map with the suffix "A" (or "B", "C", etc., when more than one supplementary map is filed). No land which remains correctly described by the original map shall be shown as parcels on the new map with the suffix.



Each nonoperating parcel shall be entirely within one Tax Rate Area, and no parcel shall extend beyond the limits of one map. It is not necessary to show Tax Rate Area numbers on the map. A map may contain more than one parcel in the same county. Maps of nonoperating parcels may contain more than one Tax Rate Area, as long as each parcel is totally included in one Tax Rate Area. Additional parcels cannot be shown using the same map number in a subsequent year; letter suffixes must be added.

Maps shall not be refiled annually. New maps shall be filed only under the following circumstances:

- a. When it is necessary to show new parcels acquired subsequent to the prior year lien date property statement.
- b. When new parcelling of previously reported parcels is necessary; for example, new Tax Rate Area boundary lines splitting a nonoperative parcel, or when a portion of a previously reported parcel is disposed of. In the latter case, only the portion retained is to be shown on the new map.

Changes such as disposal of an entire parcel, changes in the nonfee status that do not affect the boundaries of the parcel, lease renewals, etc., do not require the submission of new maps, and new maps will not be accepted under these circumstances.

When a new parcel is acquired that is contiguous to an existing parcel, it is desirable to consolidate the parcels into one (providing they are in the same Tax Rate Area if nonoperative). At other times it may be desirable to consolidate or modify parcel boundaries or descriptions. In these cases, the Valuation Division should be contacted in advance.

*Any deviations from the above standards must be approved by the Valuation Division in advance, and in writing.*

## **E. Schedule of Intangible Information**

The Schedule of Intangible Information, form BOE 529-I, shall be used to declare intangibles. If you are declaring intangibles, they should be itemized and include a corresponding value. The basis of each value should also be described on the form.

## **F. Schedule of Leased Equipment**

Personal property or equipment in the possession of the assessee which is rented or leased is to be reported on forms BOE-600-A or BOE-600-B. All equipment which the state assessee (lessee) is obligated by the terms of the lease to report for ad valorem tax purposes shall be listed on form BOE-600-A. Equipment for which there is not a written understanding between the state assessee and the lessor as to which one is to report the property for assessment shall also be included on form BOE-600-A. Property leased from an entity described in Revenue and Taxation Code section 235 (financial corporation) must be reported on **form BOE-600-A** notwithstanding the terms of the lease with respect to payment of the property taxes.

The total cost of equipment listed on form BOE-600-A shall also be listed on Schedule B and Schedule B-0 in the county where it is located. This property shall **not** be listed on the Schedule B-1.

All equipment which, either by the terms of the lease or by a written understanding between the state assessee and the lessor, except as noted above, the lessor is to report to the local assessor for assessment to the lessor shall be included on form BOE-600-B. Forms BOE-600-A and BOE-600-B for reporting leased personal property or equipment may be obtained from the Valuation Division.

Additional instructions are printed on the reverse side of each form.

## **G. Fiber Optic Miles of Right of Way**

Form BOE-534-FO, ***Schedule of Fiber Optic Right Of Way***, should be used to report annually to the Valuation Division the number of miles of California fiber optic right of way (ROW)/easements. The assessee is not required to report fiber optic ROW on form BOE-551, ***Statement of Land Changes***. Please contact Mr. Daniel Sakai at 916-324-2968 if you need assistance completing this form.

For purposes of this publication, right of way is defined as any land or partial interest in land owned or used for the purpose of laying or placing fiber optic cable in order to transmit voice, data, or video signals. The term “used by” shall include land leased by a state assessee from private parties (leased) or government agencies (possessory interest). A right of way is created when fiber optic cable is installed on a pole, buried in the ground or laid on the surface of the ground.

If you do not own or use any fiber optic ROW, check the box titled **No Property Interest**, on form BOE-534-FO.

When completing form BOE-534-FO, the following information should be provided.

- Lien date (year)
- Assessee Name
- SBE Number assigned to your company
- Number of miles, by county, of public ROW located in a public street or highway
- Number of equivalent miles, by county, of private shared ROW.
- Number of miles, by county, of private ROW (Not Shared) and any taxable possessory interest (PI) not located in a public street or highway.
- Number of miles of local assessed ROW, by county

Type of Property	Public Street/Hwy	Private Shared	Private Not Shared	Locally Assessed
Fee Simple		YES	YES	
Leased		YES	YES	
ROW and Easement Agreement		YES	YES	
Taxable PI ( <i>in public street or hwy</i> )	YES			
Taxable PI ( <i>not in public street or hwy</i> )			YES	
ROW/Easement Valued by County Assessor ( <i>Value of ROW/easement is included in the value of the larger parcel from which the easement originated</i> )				YES
Indefeasible Right to Use (I.R.U.) Agreement	YES	YES		
Fiber Swaps or Exchange of Capacity Agreement ( <i>Report owned ROW only. Do not report used ROW.</i> )		YES	YES	

- Total number of miles, by county
- Grand total of California ROW miles

Provide one copy of a ROW route map or “As Built” drawings from your engineering department in sufficient detail to locate on the ground. This is not a request for assessor parcel maps. All maps should be to scale to allow verification of the miles of ROW.

### **Classification of Fiber Optic Right of Way**

Each mile of ROW shall be classified as public, private shared, private not shared, or locally assessed.

ROW located above, below, or along a public street or highway shall be classified as public. ROW assessed by the county assessor with the larger parcel from which the easement originated shall be classified as locally

assessed. Private ROW shall be any remaining miles. Private ROW cost should be reported on Schedule B of the form BOE-517 with the account number used by the company to identify the cost.

Report only permanent ROW. Do not report any temporary parcels used for construction of the fiber optic system.

All miles are route (not fiber) miles and should be the total linear miles in, on, or along the ground. Do not include any miles located in a building.

The following table should be used as a general guideline in classifying ROW. It does not represent a complete list of the numerous and varied land rights and agreements. Please check with your engineering and/or real estate staff for assistance in classifying ROW miles.

## **H. Other Information**

### **1. Stockholder's Reports and Reports to Regulatory Agencies.**

Copies of reports to stockholders and reports to regulatory agencies shall be submitted to the Valuation Division as set forth in the instructions to state assessees included with Property Statement form BOE-517.

### **2. Foreign Improvement Lists.**

Each state assessee shall annually file a statement attesting to the separate ownership of improvements located on land owned by the assessee, with the assessor of each county where such property is located, and shall furnish a copy of the statement to the Valuation Division.

### **3. Construction Work in Progress.**

Construction Work in Progress (CWIP) should be reported as follows:

- a. Preliminary engineering costs as part of taxable CWIP—Preliminary engineering costs are those costs incurred prior to the commencement of a construction project such as feasibility studies, architectural drawings, and engineering studies. Preliminary engineering costs may also include architectural and engineering costs incurred during the construction phase of the project, providing they relate to the overall project rather than to the portion of the project currently being constructed. These costs should be metered in as part of taxable CWIP based on the percentage of completion as of January 1. Ideally, this completion percentage should be based on an engineering estimate. However, if an engineering estimate is not obtainable, a completion percentage based on the incurred costs of construction including overhead to January 1, divided by the estimated total costs for the project will be accepted.
- b. Overhead costs as part of taxable CWIP—The reported amount for CWIP should include the proper loading for overhead costs. Overhead costs are indirect labor, injuries and damages, taxes, general and administrative expenses, and overhead loading such as Allowance for Funds Used During Construction (AFUDC). The reported CWIP for California is considered to be properly loaded with its respective amount of taxable overhead costs when:
  - (1) The taxable Overhead Costs are traceable to the taxable property; or
  - (2) The taxable CWIP is loaded with its proportionate share of overhead costs based on the percentage of the job's incurred taxable costs including the metered in preliminary engineering costs to the total expenditures as of the lien date. This percentage is expressed as:

*Taxable costs to date before overhead loading*<sup>1</sup>

Total costs to date before overhead loading

- c. CWIP should be reported in two categories:
  - (1) CWIP representing construction of new facilities

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<sup>1</sup>Taxable costs to date, less nontaxable preliminary engineering and less any other nontaxables such as prepayments for out-of-state equipment.

(2) CWIP representing replacement of existing facilities

If precise dollar amounts for the two categories of CWIP are not available, percentages may be reported with an explanation of how the percentages were derived.

#### **4. Book Cost.**

The book cost of an asset should include all the capitalized costs of placing an asset into service. These costs include but are not limited to:

- a. Purchase price.
- b. Sales and use taxes.
- c. Transportation charges.
- d. Installation charges.
- e. Construction period finance charges.
- f. Construction period opportunity costs.
- g. Engineering and design costs.

If the book cost being reported does not include these capitalized costs or other capitalized costs that were incurred in order to place assets into service, report such costs on a separate schedule.

If any of the costs referred to above are being expensed, report such costs on a separate schedule.

#### **Self-constructed equipment and buildings:**

The book cost of self-constructed equipment and buildings should include all the costs referred to above. The book cost should be the cost that an unrelated party, bearing the full economic burden, would charge to place an asset into service. If any of these costs were not incurred as a cash expenditure, impute an economic (prevailing rate at the time of construction) dollar amount and report such amounts on a separate schedule.

#### **5. Exempt Software.**

Pursuant to Revenue and Taxation Code section 995, storage media for computer programs, such as hard drives, shall be valued for property tax purposes as if there were no computer programs on such media other than basic operational programs. In other words, computer programs other than basic operational programs are not subject to property tax. Revenue and Taxation Code section 995.2 defines the term "basic operational program." All software programs not considered "basic operational programs" may be referred to as "exempt software programs" or "nontaxable programs." It is the assessee's responsibility to identify and remove all exempt software program costs from taxable accounts and report these costs separately to the Board of Equalization on the Schedule B and Summary Control portions of the Property Statement.

All reported costs of exempt software programs are subject to audit. In support of an assessee's claimed software exemption, Property Tax Rule 152 (f) states, "A person claiming that a single-price sale or lease includes charges for nontaxable programs and services should be required to identify the nontaxable property and services and supply sale prices, costs or other information that will enable the assessor to make an informed judgment concerning the proper value to be ascribed to taxable and nontaxable components of the contract." *Other information* can include, but is not limited to, a detailed study from the manufacturer of the equipment. Property Tax Rule 152 (e) also states, in part, "the assessor, lacking evidence to the contrary, may regard the total amount charged as indicative of the value of taxable tangible property."

## ***II. List of Available Publications***

67EG	Electric Generation Companies
67GE	Gas, Electric and Gas Transmission Companies
67LE	Telephone Companies—Local Exchange Carriers
67PL	Intercounty Pipelines and Watercourses
67RC	Telephone Companies—Radio Common Carriers
67RF	Railcar Maintenance Facilities
67RR	Railroad Companies
67TC	Telecommunication Carriers
67TR	Telecommunication Resellers
67WT	Telephone Companies—Wireless

Copies of the above listed publications may be obtained by writing to:

State Board of Equalization  
Valuation Division, MIC:61  
PO Box 942879  
Sacramento CA 94279-0061

Or by logging on to the Board of Equalization Internet site at **[www.boe.ca.gov](http://www.boe.ca.gov)**

### ***III. Appendices***

#### **Appendix A. Tax Rate Areas**

Each county in California is divided into taxing districts, or a combination of taxing districts called Tax Rate Areas. Each Tax Rate Area within a county is assigned a unique Tax Rate Area number in that county. The Tax Area Services Section (TASS) of the Assessment Policy and Standards Division defines the boundary of all Tax Rate Areas and assigns the Tax Rate Area numbers. The purpose of the Tax Rate Areas is to determine the property tax amount by applying a specific tax rate, corresponding to the Tax Rate Area where the property is located, to the assessed value of that property.

Tax Rate Area maps are available for use by the taxpayer at the Board headquarters office in Sacramento, or a taxpayer may inspect the maps at the local assessor's offices. Copies of these maps may be purchased from TASS.

Information regarding the Tax Rate Area number for a specific location can be obtained from TASS. A subscription service is available for a fee. Any questions or requests should be directed to TASS by contacting Tax Area Services Section, PO Box 942879, Sacramento, California, 942879-0059, or by telephone at 916-322-7185.

#### **Appendix B. List of California Counties**

<b>County Number</b>	<b>County Name</b>	<b>County Number</b>	<b>County Name</b>
1	Alameda	30	Orange
2	Alpine	31	Placer
3	Amador	32	Plumas
4	Butte	33	Riverside
5	Calaveras	34	Sacramento
6	Colusa	35	San Bento
7	Contra Costa	36	San Bernardino
8	Del Norte	37	San Diego
9	El Dorado	38	San Francisco
10	Fresno	39	San Joaquin
11	Glenn	40	San Luis Obispo
12	Humboldt	41	San Mateo
13	Imperial	42	Santa Barbara
14	Inyo	43	Santa Clara
15	Kern	44	Santa Cruz
16	Kings	45	Shasta
17	Lake	46	Sierra
18	Lassen	47	Siskiyou
19	Los Angeles	48	Solano
20	Madera	49	Sonoma
21	Marin	50	Stanislaus
22	Mariposa	51	Sutter
23	Mendocino	52	Tehama
24	Merced	53	Trinity
25	Modoc	54	Tulare
26	Mono	55	Tuolumne
27	Monterey	56	Ventura
28	Napa	57	Yolo
29	Nevada	58	Yuba

## Appendix C. Sample of Completed Property Statement Related Forms

BOE-517-TR (S1F) REV. 8 (12-05)

### PROPERTY STATEMENT — TELECOMMUNICATIONS — SHORT FORM

STATE OF CALIFORNIA  
BOARD OF EQUALIZATION

**2006**

#### DECLARATION OF COSTS AND OTHER RELATED PROPERTY INFORMATION AS OF 12:01 A.M., JANUARY 1, 2006

This statement must be completed, signed, and filed with the Valuation Division, Board of Equalization, P.O. Box 942879, Sacramento, California 94279-0061, by March 1, 2006. Omit cents; round to the nearest dollar.

NAME XYZ Telecom, Inc. No. 7800  
STREET 10000 Wilshire Blvd., Suite 1000  
CITY Los Angeles  
STATE and ZIP CODE CA 95190

#### OFFICIAL REQUEST

This request is made in accordance with section 826 of the Revenue and Taxation Code. This property statement must be completed according to the instructions and filed with the Board of Equalization on or before March 1, 2006. If you do not file this statement, you may be subject to the penalty provided in section 830 of the Revenue and Taxation Code. Attached schedules are considered to be part of the statement. THIS STATEMENT IS SUBJECT TO AUDIT.

MAKE NECESSARY CORRECTIONS TO ADDRESS LABEL

#### IMPORTANT: PLEASE ANSWER THE FOLLOWING QUESTIONS BEFORE COMPLETING THE ATTACHED FORMS.

As of January 1, 2006

- A. In the course of your business, did you own, lease, or use real or personal property in California? ☐ Yes ☐ No  
(If yes, skip question B, complete Schedules B, B-0, B-1, C, D)  
(If no, answer question B, sign and return only this page.)
- B. Were you conducting business in California? ☐ Yes ☐ No  
(If yes, provide a copy of the most recent financial statements.)  
(If no, sign and return only this front page form.)

Name, address and phone number of person to whom correspondence regarding this property statement should be addressed:

NAME

John Smith

ADDRESS

Same as above

TELEPHONE NUMBER

(310) 555-1212

FAX NUMBER

(916) 324-2787

List primary business activities generating revenue: Resale of long distance service

Has your company taken a FASB write-down to reflect a reduction in the value of your fixed assets? ☐ Yes ☐ No

If yes, enter the date the write-down was booked \_\_\_\_\_

(✓) ENTITY TYPE: ☐ Proprietorship ☐ Partnership ☒ Corporation ☐ Other Change in ownership prior 12 months? ☐ Yes ☒ No

#### CERTIFICATION

*I certify (or declare) under penalty of perjury under the laws of the State of California that I have examined this property statement, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete and covers all property required to be reported which is owned, claimed, possessed, controlled, or managed by the person named in the statement at 12:01 a.m. on January 1, 2006. If prepared by a person other than the taxpayer, this declaration is based on all information of which preparer has knowledge.*

FULL LEGAL NAME OF BUSINESS

XYZ Telecom, Inc.

PRINTED NAME OF SIGNATORY

John Smith

TITLE

President

SIGNATURE OF OWNER, PARTNER, OR CORPORATE OFFICER

John Smith

DATE

2006

SIGNATURE OF AUTHORIZED REPRESENTATIVE

DATE

2006

FOR OFFICIAL USE ONLY



**2006**

Under the provisions of sections 826 and 830 of the Revenue and Taxation Code and section 901, Title 18, California Code of Regulations, the Board of Equalization requests that you file a property statement with this Board between January 1, 2006, and 5:00 p.m. on March 1, 2006. This property statement shall be completed in accordance with instructions included with the property statement and in publication 67-TR, *Instructions for Reporting State-Assessed Property*, for lien date 2006. If you do not have these instructions please let us know and a copy will be mailed to you.

Extensions of time for filing the property statement or any of its parts may be granted only on showing of good cause under a written request made prior to March 1, 2006. If you do not file this property statement timely, it may result in an added penalty of ten percent of the assessed value as required by section 830 of the Revenue and Taxation Code.

All financial schedules must be completed in their entirety using Board supplied forms and filed by March 1, 2006; no schedules other than those supplied by the Board will be accepted without prior approval. Otherwise, a penalty of ten percent under section 830 of the Revenue and Taxation Code, as described above, may be imposed.

**If you are not required to file additional forms based on the answers to questions A and B on the front of this property statement, submit only the front page of this property statement as indicated.**

#### **REGARDING THE SCHEDULES TO BE FILED.**

**Book Cost:** Book Cost equals original historical cost as recorded in the books and records of the business as described below.

**Report book cost (100 percent of actual cost).** Include excise taxes, sales and use taxes, freight in, installation charges, finance charges during construction, and all other relevant costs required to place the property in service. **Do not reduce costs for depreciation.** Accumulated depreciation is to be reported separately. Also report separately the details of any write-downs of cost, extraordinary damage or obsolescence, or any other information that may help the Board in estimating the fair market value of your property.

You have the option of substituting for Financial Schedules B to D inclusive, copies of schedules of corresponding information as filed in your annual report required by the California Public Utilities Commission or Federal Communications Commission.

**Note:** All replacement cost studies, obsolescence requests, and other voluntary information that assesses believe affects the value of their property must be filed with the property statement or by a date granted by a formal extension. If such information is not filed by that date, staff are not required to consider it in determining its unitary value recommendation.



**2006**

**SAMPLE DATA**

**SAMPLE DATA**

**INTENTIONALLY LEFT BLANK**

**PLEASE PROCEED TO THE NEXT PAGE ➡**

**2006****SCHEDULE B — Plant and Equipment**

COMPANY NAME <b>XYZ Telecom, Inc.</b>	SBE NO. <b>7800</b>
--	------------------------

Has your company taken a FASB write-down to reflect a reduction in the value of your fixed assets? ☐ Yes ☐ No

If yes, enter the date the write-down was booked \_\_\_\_\_

If a FASB write-down has been taken, do the costs reported in Schedule B reflect the write-down? ☐ Yes ☐ No

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	CALIFORNIA				SYSTEM
			BALANCE BEGINNING OF 2005	ADDITIONS	RETIREMENTS	BALANCE END OF 2005	BALANCE END OF 2005
1		<b>REAL ESTATE</b>	\$	\$	\$	\$	\$
2		Land <sup>A</sup>					
3		Rights of Way, Easements, etc. <sup>A</sup>					
4							
5		Buildings					
6		Misc. Structures & Leasehold Improvements					
7							
8	1,000	<b>PLANT ASSETS IN SERVICE</b>	25,000	0	0	25,000	25,000
9		**Licensed Motor Vehicles <sup>A</sup>					
10	2124	Unlicensed Vehicles					
11	0318	Furniture & Office Equipment	300,000	10,000	20,000	290,000	290,000
12	1500	General Purpose Computers	100,000	70,000	20,000	150,000	150,000
13		**Computer Applications Software <sup>A</sup>	7,000	6,000	3,000	10,000	10,000
14							
15		<b>CENTRAL OFFICE EQUIPMENT (COE)</b>					
16		Switches					
17							
18		Peripheral					
19							
20		<b>OUTSIDE PLANT — Cable, Conduit, Towers, etc.</b>					
21							
22		<b>CUSTOMER PREMISE EQUIPMENT (CPE)</b>					
23							
24		<b>MISCELLANEOUS WORK EQUIPMENT (describe)</b>					
25							
26		<b>OTHER</b>					
27							
28		<b>TOTAL IN SERVICE</b>	432,000	86,000	43,000	475,000	475,000
29		BOE-600-A PROPERTY (LEASED EQUIPMENT)					
30		FUTURE USE PROPERTY	20,000	0	0	20,000	20,000
31		CONSTRUCTION WORK IN PROGRESS					
32		MATERIALS & SUPPLIES					
<b>TOTAL</b>			<b>\$ 452,000</b>	<b>\$ 33,000</b>	<b>\$ 96,000</b>	<b>\$ 495,000</b>	<b>\$ 495,000</b>

DEPRECIATION RESERVE			CALIFORNIA
			BALANCE END OF 2005
33		All Tangible Property	150,000
34		* Licensed Motor Vehicles	10,000
35		* Computer Applications Software	5,000

<sup>A</sup> If additions and/or retirements are reported, the BOE-551, Statement of Land Changes, must be filed with the Valuation Division.<sup>\*\*</sup> Property exempt from assessment.

**2006****SCHEDULE B-0 — DISTRIBUTION OF COST**

OVER FOR MORE COUNTIES ►

COMPANY NAME <b>XYZ Telecom, Inc.</b>	SBE NO. <b>7800</b>
--	------------------------

**SECTION A** — Complete this section if you have property located in only ONE (1) California county. See instructions for reporting State-Assessed Property — Telecommunications Resellers for a listing of county names and county numbers.

COUNTY NAME	COUNTY NO.
-------------	------------

**SECTION B** — Complete this section if you have property in two or more California counties. Form BOE-533-E is not required.

LINE NO.	SCHEDULE B CALIFORNIA BALANCE END OF 2005	ACCOUNT TITLE	COUNTY NAME	COUNTY NAME	COUNTY NAME	COUNTY NAME
			COUNTY NO.	COUNTY NO.	COUNTY NO.	COUNTY NO.
			1	7	21	30
		<b>REAL ESTATE</b>	\$	\$	\$	\$
1		Land <sup>A</sup>				
2		Rights of Way, Easements, etc. <sup>A</sup>				
3						
4						
5		Buildings				
6		Misc. Structures & Leasehold Improvements				
7						
		<b>PLANT ASSETS IN SERVICE</b>				
8	25,000	**Licensed Motor Vehicles <sup>A</sup>				
9		Unlicensed Vehicles				
10	290,000	Furniture & Office Equipment	100,000	25,000	25,000	25,000
11	150,000	General Purpose Computers	60,000	10,000	10,000	10,000
12	10,000	**Computer Applications Software <sup>A</sup>				
13						
14						
		<b>CENTRAL OFFICE EQUIPMENT (COE)</b>				
15		Switches				
16						
17		Peripheral				
18						
		<b>OUTSIDE PLANT</b> — Cable, Conduit, Towers, etc.				
19						
20						
		<b>CUSTOMER PREMISE EQUIPMENT (CPE)</b>				
21						
22						
		<b>MISCELLANEOUS WORK EQUIPMENT (describe)</b>				
23						
24						
		<b>OTHER</b>				
25						
26						
27		<b>TOTAL IN SERVICE</b>				
28	20,000	BOE-600-A PROPERTY (LEASED EQUIPMENT)	0	5,000	5,000	5,000
29		FUTURE USE PROPERTY				
30		CONSTRUCTION WORK IN PROGRESS				
31		MATERIALS & SUPPLIES				
32	\$ 495,000	<b>TOTAL</b>	<b>TOTAL \$ 160,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>

<sup>A</sup> Do not include Land, Rights of Way, Licensed Motor Vehicles and Computer Applications Software in the Distribution of Cost.

<sup>\*\*</sup> Property exempt from assessment.

**Note:** Nonoperating property should be reported on the BOE-533-E, *Tangible Property List*. See publication 67-TR, *Instructions for Reporting State-Assessed Property*, for detailed instructions.

**2006****SCHEDULE B-0 — DISTRIBUTION OF COST**

COMPANY NAME <i>XY Z Telecom, Inc.</i>	SBE NO. <i>7800</i>
---	------------------------

**SECTION B —** Complete this section if you have property in two or more California counties. Form BOE-533-E is not required.

LINE NO.	COUNTY NAME <i>San Diego</i> COUNTY NO. <i>37</i>	COUNTY NAME <i>Santa Clara</i> COUNTY NO. <i>43</i>	COUNTY NAME COUNTY NO.	COUNTY NAME COUNTY NO.	COUNTY NAME COUNTY NO.	COUNTY NAME COUNTY NO.	COUNTY NAME COUNTY NO.	COUNTY NAME COUNTY NO.
	\$	\$	\$	\$	\$	\$	\$	\$
1								
2								
3								
4								
5								
6								
7								
8								
9								
10	<i>25,000</i>	<i>90,000</i>						
11	<i>10,000</i>	<i>50,000</i>						
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29	<i>5,000</i>	<i>0</i>						
30								
31								
32	<i>\$ 40,000</i>	<i>\$ 140,000</i>	\$	\$	\$	\$	\$	\$

Do not include Land, Rights of Way, Licensed Motor Vehicles and Computer Applications Software in the Distribution of Cost.

**SCHEDULE B-1 COST DETAIL OF DEPRECIABLE  
PROPERTY AS OF LIEN DATE 2005****2006**

COMPANY NAME

X Y Z Telecom, Inc.

SBE NO.

7800

This page for **CALIFORNIA**

Attach separate sheet if needed.

CAL. YEAR OF ACQ.	BUILDINGS ORIGINAL COST	CAL. YEAR OF ACQ.	MISC. STRUCTURES & LEASEHOLD IMPROVEMENTS ORIGINAL COST	CAL. YEAR OF ACQ.	DIGITAL COE-SWITCH ORIGINAL COST (I)	CAL. YEAR OF ACQ.	OTHER COMMUNICATION EQUIPMENT	CAL. YEAR OF ACQ.	COE-PERIPHERAL ALL EXCEPT SWITCH ORIGINAL COST (I)
2005		2005		2005		2005		2005	
2004		2004		2004		2004		2004	
2003		2003		2003		2003		2003	
2002		2002		2002		2002		2002	
2001		2001		2001		2001		2001	
2000		2000		2000		2000		2000	
1999		1999		1999		1999		1999	
1998		1998		1998		1998		1998	
1997		1997		1997		1997		1997	
1996		1996		1996		1996		1996	
1995		1995		1995		1995		1995	
1994		1994		1994		1994		1994	
1993		1993		1993		1993		1993	
1992		1992		1992		1992		1992	
1991		1991		1991		1991		1991	
1990		1990		1990		1990		1990	
1989		1989		1989		1989		1989	
1988		1988		1988		1988		1988	
1987		1987		1987		1987		1987	
1986		Prior		1986		Prior		Prior	
1985		TOTAL		1985		TOTAL		TOTAL	
1984				1984					
1983				1983					
1982				1982					
1981				1981					
1980				1980					
1979				1979					
1978				1978					
1977				1977					
1976				1976					
1975				1975					
1974				1974					
1973				1973					
1972				1972					
1971				1971					
1970				1970					
1969				1969					
1968				1968					
1967				1967					
1966				1966					
1965				1965					
1964				1964					
1963				1963					
1962				1962					
1961				1961					
1960				1960					
1959				1959					
Prior				Prior		Prior		Prior	
TOTAL		TOTAL		TOTAL		TOTAL		TOTAL	

  

CAL. YEAR OF ACQ.	OUTSIDE PLANT ORIGINAL COST (I)	CAL. YEAR OF ACQ.	MISC. WORK* EQUIPMENT ORIGINAL COST	CAL. YEAR OF ACQ.	CUSTOMER PREMISE EQUIPMENT	CAL. YEAR OF ACQ.	FURNITURE & OFFICE EQUIPMENT ORIGINAL COST
2005		2005		2005		2005	20,000
2004		2004		2004		2004	100,000
2003		2003		2003		2003	100,000
2002		2002		2002		2002	70,000
2001		2001		2001		2001	
2000		2000		2000		2000	
1999		1999		1999		1999	
1998		1998		1998		1998	
1997		1997		1997		1997	
1996		1996		1996		1996	
1995		1995		1995		1995	
1994		1994		1994		1994	
1993		1993		1993		1993	
1992		1992		1992		1992	
1991		1991		1991		Prior	
1990		1990		1990		TOTAL	290,000
1989		1989		1989			
1988		1988		1988			
1987		1987		1987			
1986		1986		1986			
1985		1985		1985			
1984		1984		1984			
1983		1983		1983			
Prior		Prior		Prior			
TOTAL		TOTAL		TOTAL			

  

CAL. YEAR OF ACQ.	GENERAL PURPOSE COMPUTERS* ORIGINAL COST	CAL. YEAR OF ACQ.	GENERAL PURPOSE COMPUTERS* ORIGINAL COST
2005		1999	
2004	70,000	1998	
2003	50,000	1997	
2002	20,000	1996	
2001	10,000	1995	
2000		TOTAL	150,000

\*Do not include Licensed Motor Vehicle or Computer Software Costs in any Schedule B-1 Category.

**2006**

## **SCHEDULE C — BALANCE SHEET AND INCOME STATEMENT**

**The following information is required.**

Please provide a copy of your:

- December 31, 2005 Balance Sheet
- December 31, 2005 Income Statement

If the above financial statements are unavailable, please provide a copy of the most recent Balance Sheet and Income Statement.

If you do not provide a Balance Sheet or an Income Statement, you may be subject to a penalty as prescribed in California Revenue and Taxation Code section 830.

**2006****SCHEDULE D — ADDITIONAL FORMS REQUIRED**

PLEASE ANSWER THE FOLLOWING QUESTIONS TO DETERMINE ADDITIONAL FORMS REQUIRED TO BE INCLUDED WITH YOUR PROPERTY STATEMENT FILING.

QUESTION	NO	YES	If YES Form(s) Required
1. Did you acquire any wireless communication sites during calendar year 2005 (notwithstanding assessment jurisdiction)?			BOE-516
2. Do you need to request an extension of time to file the Property Statement?			BOE-517-EXT
3. Do you wish to claim intangibles?			BOE-529-I
4. Do you own or lease fiber optic right of way, conduit, and/or cable?			BOE-534-FO
5. Do you own or lease land, or lease 100% of a building in California?			BOE-551
6. Do you have an ownership interest in an entire parcel of land that had a tax rate area different from that of the prior year?			BOE-551-TRA
7. Do you lease equipment, from others, that is located in California?			BOE-600-A BPE-600-B
8. Do you need to authorize a person to act as your designated representative regarding state-assessed property tax matters?			BOE-892

If you answered **yes** to any of the questions above, you are required to file the form(s) indicated. Property statement forms may be obtained by contacting the Valuation Division of the Board of Equalization at 916-327-5029 or on the Internet (see below).

**INTERNET SITE DIRECTIONS**

1. [www.boe.ca.gov](http://www.boe.ca.gov)
2. Property Taxes
3. State-Assessed Properties Program
4. Property Statement Reporting Forms

If you do not complete and include the necessary form(s) in your property statement filing, it may result in a penalty as required by section 830 of the Revenue and Taxation Code.

